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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/875,871	06/07/2001	Dwip N. Banerjee	AUS9-2001-0346-US1	9368
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IBM CORPORATION INTELLECTUAL PROPERTY LAW DEPT 11400 BURNET ROAD AUSTIN, TX 78758			HOLZEN, STEPHEN A	
			ART UNIT	PAPER NUMBER
			3644	

DATE MAILED: 11/15/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/875,871

Applicant(s)

BANERJEE ET AL.

Examiner

Stephen A. Holzen

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 01 March 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-17 is/are pending in the application.
- 4a) Of the above claim(s) 7-17 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-6 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### ***Response to Amendment***

1. The affidavit (131) filed on 3/1/2004 under 37 CFR 1.131 has been considered but is ineffective to overcome the rejections.
2. The evidence submitted is insufficient to establish diligence from a date prior to the date of reduction to practice of the Bloom reference to either a constructive reduction to practice or an actual reduction to practice. The examiner is not convinced that the applicant has provided sufficient evidence to support his due diligence assertions.

### ***Response to Arguments***

3. Applicant's arguments with respect to claims 1-6 have been considered but are moot in view of the new ground(s) of rejection.

### ***Election/Restrictions***

4. Applicant has elected Group I, claims 1-6.
5. Claims 7-17 are withdrawn from further consideration pursuant to 37 CFR 1.142(b), as being drawn to a nonelected claims, there being no allowable generic or linking claim. Applicant timely traversed the restriction (election) requirement in the reply filed on 3/1/2004.
6. The applicant has argued that the restriction requirement is not proper because the examiner failed to establish that the search for one group is different than the field of

search for the other claims. The applicant appears to argue that since the classifications of the different groups are the same, the search for each claim would be the same. The examiner does not agree with such an assertion. The relationship between the claims has been established in ¶¶ 0002-0007 in the office action mailed on 1/27/2004. The examiner asserts that each group I-IV requires a search not required for the other groups. The groups each have limitations claimed therein not claimed in the other claim groups. The examiner asserts that the restriction is proper.

***Claim Rejections - 35 USC § 101***

7. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-6 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts"

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has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the

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prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele

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test used in *Toma*. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, the applicant has claimed a "network" in the preamble of claim 1. However the applicant has not made any use of this network. Instead the claims only recite steps not necessarily accomplished with the use of the network. The claimed steps could have been accomplished by hand. There is no positive recitation of any computer implemented method, and no technology is required to complete the steps as discussed. Therefor it is the examiner assertion that as written the claims are not within the technological arts as defined above.

### ***Claim Rejections - 35 USC § 102***

8. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1, 2, 3, and 6 are rejected under 35 U.S.C. 102(b) as being anticipated by Harrington "New Trade terms you need to know" (Harrington).

Re – claim 1: The disclosed invention is a method of arranging shipments according to a buyer's preference. Specifically, the currently claimed invention is directed towards a method comprising a buyer selecting a delivery agent, and coordinating the delivery of goods directly with the delivery agent. Further the claim invention comprises the step of informing the seller that the buyer has coordinated the delivery of goods and that a delivery agent has been assigned. The seller makes these goods available for pick up for the by buyers preferred agent.

Claim 1 is essentially a method comprising three steps:

Step 1: A seller receiving an order from a buyer,

Step 2: Allowing the buyer to choose a delivery agent

Step 3: The seller makes the goods available for pick-up by said buyers preferred delivery agent.

On page 61 of the May addition of "Traffic Management" Lisa Harrington discloses (in an article titled: "New Trade Terms you need to know") that it is well known in the art for a seller to receive an order from a buyer (inherent), allowing the buyer to choose a delivery agent (see page 2 of attached print out, lines 15-17), and that the seller makes the goods available for pick-up by the buyer's preferred delivery agent (see page 2 of the attached print out, lines 8-13, where Harrington discloses that the seller "has fulfilled his obligation to deliver when he has made the goods available at his premises).



It is the examiner's assertion then that Harrington discloses each of every claimed limitation of the presently claimed invention, as defined in claim 1. The claimed invention does not necessitate that any information be transmitted over "a network" (telephonic, electronic or otherwise). Although the phrase "a network" appears in the preamble, the recitation has not been given patentable weight because it has been held that a preamble is denied the effect of a limitation where the claim is drawn to a structure and the portion of the claim following the preamble is a self-contained description of the structure (method) not depending for completeness upon the introductory clause. *Kropa v. Robie*, 88 USPQ 478 (CCPA 1951).

It is anticipated that the applicant will amend or at least argue that the claim preamble should have patentable weight, and that the portion of the claim following the preamble is not a self contained description of the method. Therefor in order to expedite prosecution the examiner would like to remind the applicant that it has been decided that merely providing an automatic means to replace a manual activity, which accomplishes the same results, is not sufficient to distinguish over the prior art. *In re Venner*, 262 F.2d 91, 95, 120 USPQ 193, 194 (CCPA 1958). If the applicant merely amends the claim to include a step of using the network (in some general way), the examiner will reject the claims under 35 USC 103(a) over Harrington (as discussed above) in view of ordinary skill in the art. The examiner will use the rational and logic outlined in *In re Venner*.

Re – Claim 2: Harrington does not specifically disclose communicating the shipping information such as (1) an identification of goods and (2) time and place for pickup. However this information is inherent in the disclosure of Harrington. Ex-Works shipping terms require that the buyer be responsible for coordinating deliver of the goods from the suppliers premise, and therefor inherently the buyer would need to coordinate an identification of the goods and a time and place fore pick between the supplier and the delivery agent. "Ex-works" is trade term specifying a contractual agreement involving international transportation. Ex works is a trade term that refers to clauses in contracts that outlines matters such as the time and place of delivery and payment, the time when the risk of loss shifts from the seller to the buyer and the party who pays the costs of freight and insurance. Inherently Harrington discloses the limitations of claim 2, by disclosing that Ex-works is a known trade term.

Re – claim 3: This claim is similar to claim 2, except is further limited by the step of the buyer transmitting the shipping information to the delivery agent. This step is also inherent in the Harrington disclosure. Since the seller obligations are fulfilled by providing the goods to whatever delivery agent the buyer choose, it would be up to the buyer to arranged for the delivery. At the very least it is inherent that the buyer would verify that the delivery agent has the proper information before the delivery agent would go to pick up the goods.

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Re – claim 6: Inherently the vendor would be receiving additionally information regarding the buyer's delivery agent. Such information includes licenses, certificates, insurance, the liability of loss, the division of costs and taxes. These are all common obligations and risks between the buyer and seller and delivery agents and inherently any transcontinental buyer, vendor and delivery agent would exchange this information for the purpose of defining the scope of responsibility for each party.

***Claim Rejections - 35 USC § 103***

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claim 4 is rejected under 35 U.S.C. 103(a) as being unpatentable over Harrington in view of Pool (6,460,020). Harrington does not specifically disclose splitting out the cost of the goods from the shipping costs. Pool (6,460,020) however does disclose that it is known to provide the price of the goods "Ex-works" as a separate line item (see Col. 14, lines 30+ #16). It would have been obvious to one having ordinary skill in the art, at the time the invention was filed, to split out the shipping costs, insurance costs and the price of the goods, since doing so would provide the buyer a means for gauging the relative prices between different suppliers.

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11. Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over Harrington in view of Williams (2002/0032573). Harrington discloses every aspect of the present invention, as disclosed above, however does not specifically provide information to the buyer that would lead the buyer to select a specific carrier. Williams however does provide information to the buyer that would lead the buyer to select a specific delivery agent. The Williams reference teaches that a buyer can be presented with the names of various delivery agents for the buyer's convenience. This information leads to the eventual choosing of a delivery agent based on the information provided by the vendor. It would have been obvious to one having ordinary skill in the art at the time the invention was made for the vendor (seller) to provide information about various delivery agents that the vendor prefers, thus leading the buyer to choose one of said various delivery agents for the purpose of strengthening business relationships between vendor and agent.

### ***Conclusion***

12. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Kara further illustrates the extent of the prior art. A user is presented with information regarding various shipping service providers and fees so the user may make an informed choice as to the most preferable method of shipments.

- Choi et al (KR2001090412A) discloses a method for managing a purchase where the buyers, sellers and delivery companies transmit information to a third party agent.
- Gendreau (2001/0034608) discloses a seller selecting the best delivery company for the price, not the buyer.
- Green et al (5,664,110) disclose remote ordering and figure 9 teaches giving the buyer option on the time of delivery.
- Chen (2003/0078873 A1) discloses a provider for matching service between a send of goods and a set of potential couriers.
- Fields et al (2004/0034544 A1) discloses providing the buyer vender preferred courier options.
- Danji (2003/0200111 A1) discloses a process for determining an optimal method and cost of shipping goods, providing above information to the sellers and the buyers to consummate a transaction.
- O'Neill et al (6,219,653) discloses a system which calculates the cost of shipping a freight and communicates the costs to the buyer and sellers, in order to allow buyers and sellers to maximize current shipping prices.
- Garner (2,328,595 Demande-Application) discloses a computerized system for managing and scheduling delivers from a user to a recipient.
- United States Postal Service (WO 02/089035 A1) discloses a method of a third part, which arranges the deliver and transaction between a seller and a buyer, and presents the options of return deliveries.

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- Yang (2002/0116289 A1) discloses a mobile pickup station which delivers items purchased by a buyer via shipping instructions dictated by sellers and buyers.
- Horn et al (2002/0156688 A1) discloses a web page which requests a user to input a preferred delivery option only for the type of delivery (ground, air, etc) not for which courier. Also discloses splitting out price of item purchased and delivery costs.
- Terada et al (2002/0111914 A1) discloses a method and system for buyers to purchase goods on-line, gives delivery options to the buyer (home delivery or intermediary site) and then the seller arranges the delivery schedule.
- Albright (2003/0093388 A1) discloses presenting to the buyer a preferred subset of delivery option and an estimated delivery schedule.
- Zucker (WO 99/66428) teaches an anonymous purchasing and delivery system where the seller, courier and buyer remain anonymous from each other.
- Kara (6233568) discloses presenting to the user/sender various delivery options, and shipping service provider fees so that the user/sender may make an informed choice as to a most preferable method of shipment.
- Benjier et al (2003/0046173) disclose a method and system that utilizes a store inventory to fulfill orders purchased on-line, allows for a customer to pick up an item order over the internet at a physical store location, the customer/buyer selects a store that is convenient for pick up.

- Fluhr et al (2003/0061147) discloses the method of providing to the buyer at least one shipping option for selection by the buyer, and receiving an assorted shipping option from the buyer. The buyer is not able to select any courier, which he desires.
- Cummiskey (2002/0095347) discloses a method for a person to go to a delivery web site and print a label for a package.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Stephen A. Holzen whose telephone number is 571-272-6903. The examiner can normally be reached on M-F 8:30-5:00.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Teri Luu can be reached on 571-272-7045. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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